

December 15, 2011

News Release

Company: Olympus Corporation  
Representative Director, President and CEO: Shuichi Takayama  
(Code: 7733, First Section, Tokyo Stock Exchange)  
Contact: Akihiro Nambu, Manager, Public Relations and IR Office

Measures Olympus Corporation Will Implement Following the Filing of Second Quarterly Report and Amendments to Past Securities Reports

(Determination on Members of Management Reform Committee and Convocation of Extraordinary General Shareholders Meeting, Etc.)

As announced in the press release “Notice Concerning Measures Olympus Corporation Will Implement in Light of the Third Party Committee Report” dated December 7, 2011, Olympus Corporation (the “Company”) has decided by its Board of Directors to establish the Management Reform Committee and to delegate the decision regarding the member composition of the committee and other related matters to deliberations between Yasuo Hayashida and Hiroshi Kuruma, two outside directors of the Company. Upon deliberate discussion between the two outside directors, it was decided to appoint the following three persons as the members of the Management Reform Committee. Further, as also announced in the said press release, the Company has requested that the Management Reform Committee deliberate in advance on the Company’s proposals to be submitted to the next general meeting of shareholders of the Company in an effort to overhaul the managerial framework of the Company, restructure its governance system and thoroughly review its business plan. Please see Exhibit 1 for the brief CVs of the members of the Management Reform Committee.

Member: Mr. Kazuo Kawakami, Attorney-at-law  
(former Chief Prosecutor, Trial Division, Supreme Public Prosecutors Office)  
Member: Mr. Motoyoshi Nishikawa, Attorney-at-law  
(former Managing Director, Nippon Steel Corporation)  
Member: Mr. Shiro Hiruta, Senior Advisor of Asahi Kasei Corporation

In addition to the foregoing, Shuichi Takayama, the Company’s Representative Director, President and CEO, has issued a President’s Statement today, as set forth in Exhibit 2, in which he provides a brief overview of the second quarterly report for the fiscal year ending March 31, 2012 and the amendments to the past securities reports, and announces the determination of members of the Management Reform Committee, convocation of the extraordinary general shareholders meeting as well as the Company’s efforts for maintaining its status as a listed company and its business continuation.

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CVs of Members of Management Reform Committee

Mr. Kazuo Kawakami

1958 Appointed as Prosecutor, Sapporo District Public Prosecutors Office  
1980 Counselor, Secretariat of Minister of Justice  
1983 Chief Prosecutor, Special Investigation Division,  
Tokyo District Public Prosecutor's Office  
1986 Prosecutor, Supreme Public Prosecutors Office  
1987 Director, Correction Department, Ministry of Justice  
1989 Chief Prosecutor, Trial Division, Supreme Public Prosecutors Office  
1991 Registered as Attorney-at-law

Mr. Motoyoshi Nishikawa

1968 Joined Yawata Iron & Steel Co., Ltd. (current Nippon Steel Corporation) ("NSC")  
1997 Director of NSC  
2001 Managing Director of NSC  
2003 Executive Advisor of NSC (Chief Legal Counsel)  
2007 Advisor of NSC  
2011 Registered as Attorney-at-law, Nomura Sogo Law Office

Mr. Shiro Hiruta

1964 Joined Asahi Chemical Industry Co., Ltd. (current Asahi Kasei Corporation) ("AKC")  
1997 Director and Vice-manager of Electronic and Function Products Business Department of AKC  
1999 Managing Director and Manager of Electronics Business Department of AKC  
2001 Senior Managing Director of AKC  
2002 Executive Vice President of AKC  
2003 Representative Director and President of AKC  
2010 Senior Advisor of AKC

December 15, 2011

To Whom It May Concern:

Measures Olympus Corporation Will Implement Following the Filing of Second Quarterly Report and Amendments to Past Securities Reports

(Determination on Members of Management Reform Committee and Convocation of Extraordinary General Shareholders Meeting, Etc.)

Olympus Corporation  
Shuichi Takayama, Representative Director, President and CEO

Olympus Corporation (the “Company”) filed yesterday the quarterly securities report for the second quarter of the 144th fiscal year (fiscal year ending March 2012) (the “Second Quarter Report”) and the amendments to the securities reports for the past five fiscal years. All of them reflect the contents of the investigation report issued by the Third Party Committee of the Company to correct misstatements in the financial statements and to apply appropriate accounting methods.

As acknowledged through the investigation made by the Third Party Committee, the Company had deferred for many years recognition of losses arising from past securities investments, etc., and published false financial statements. Also, as a result of such correction, submission of the Second Quarter Report was delayed and it became necessary to submit the amendments to the past securities reports. We sincerely apologize to all stakeholders for the above.

While we have already decided, in light of the recommendation regarding the governance system and other issues of the Company made by the Third Party Committee, to establish the “Management Reform Committee” for the purposes of (i) the overhaul of the managerial framework, (ii) the overhaul of the governance system, internal control system and compliance system, and (iii) the formulation of a business reconstruction plan, the members of the Management Reform Committee have been appointed.

We would like to explain as outlined below the Second Quarter Report and the amendments to the past securities reports as well as to announce the further responses of the Company in the future.

**1. Outline of the Second Quarter Report and Amendments to the Past Securities Reports**

**(1) Outline of Corrections**

Since the Company incurred large losses from securities investments, etc., from the 1990’s, the Company had deferred recognition of the losses since the fiscal year ended March 2000 by assigning them at their book value to a number of non-consolidated receiver funds whereby the Company had segregated the hidden losses from being subject to consolidated accounting. After that, the hidden losses so segregated were capitalized as goodwill of the affiliated companies of the Company by circulating the fund paid for the acquisitions of the three domestic subsidiaries (Altis Co., Ltd., HumaLabo Co., Ltd., and News Chef Inc.), the fees paid to the financial advisors for the acquisition of Gyrus Group PLC, and the funds for repurchase of preferred shares back to the non-consolidated receiver funds. A part of such goodwill was cancelled by amortization of goodwill and recognition of impairment losses.

Therefore, the Company has decided to make corrections to recognize the hidden losses segregated from the consolidated financial statements for the purposes of deferral of losses as losses of the Company for the past fiscal years. More specifically, the Company has made accounting corrections like the followings:

(i) The hidden losses of the receiver funds shall be reflected in the Company's consolidated financial statements by consolidating them based on the determination that the receiver funds were substantially controlled by the Company; and

(ii) In terms of the fund paid for the acquisitions of the three domestic subsidiaries, the fees paid to the financial advisors for the acquisition of Gyrus Group PLC, and the funds for repurchase of preferred shares, all of which were used to cover the hidden losses by circulating those funds back to the receiver funds, those funds recognized as goodwill on the Company's consolidated balance sheet as well as the amortization of goodwill and the impairment losses recognized during the relevant fiscal years shall be cancelled.

As a result, the Company has reduced the losses of JPY118.4 billion from the retained earnings on the balance sheet as of April 1, 2006 which is the beginning of the fiscal years for which the amendments to the past securities reports should be filed.

## **(2) Outline of the Second Quarter for the Fiscal Year Ending March 2012**

The net sales in the second quarter of the fiscal year ending in March 2012 were JPY414.5 billion (decreased by 0.7% from the previous same quarter) and the operating income in the same quarter was JPY15.5 billion (decreased by 21.6% from the previous same quarter). Except for extraordinary factors such as foreign exchange rate and earthquake, the net sales have increased by 7% and the operating income has increased 22%. However, the Company has recognized as the extraordinary losses the impairment losses of approximately JPY13.9 billion with regard to the assets used for the Imaging Business and Other Businesses, and has derecognized the deferred tax assets of approximately JPY19.0 billion and recognized them as tax expenses. As a result, the Company's bottom line for this second quarter was a net loss of JPY32.3 billion.

For more detail, please see the attachment "Amendments to the Past Securities Reports and Outline of the Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2012".

## **2. Decision on Management Reform Committee**

The Board of Directors of the Company resolved on December 7, 2011 to establish the "Management Reform Committee" composed of independent outside knowledgeable person with absolutely no interest with the directors of the Company, and delegated the selection of the members to two outside directors, Yasuo Hayashida and Hiroshi Kuruma.

We would like to hereby announce that, pursuant to discussion between them, the two outside directors have now decided to appoint the following persons:

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| Member: | Mr. Kazuo Kawakami, Attorney-at-law and Former Chief Trial Prosecutor of the Supreme Public Prosecutors Office         |
| Member: | Mr. Motoyoshi Nishikawa, Attorney-at-law and Former Managing Director, Member of the Board of Nippon Steel Corporation |
| Member: | Mr. Shiro Hiruta, Senior Advisor of Asahi Kasei Corporation  |

As announced earlier, the Company has set about (i) the overhaul of the managerial framework, (ii) the overhaul of the governance system, internal control system and compliance system, and (iii) the formulation of a business reconstruction plan. The results of the discussions now proceeding internally in the Company will be fully examined by the Management Reform Committee in advance and upon being approved will be announced to the public and proposed to a general shareholders meeting. The Company also expects that the Management Reform Committee provides guidance and recommendation in order to prevent similar problems from ever arising again.

### **3. Convocation of Extraordinary General Shareholders Meeting**

The Company has decided, in light of the Second Quarter Report and amendments to the past securities reports filed yesterday, to convene an extraordinary general shareholders meeting around March or April 2012. We will announce the details of the extraordinary general shareholders meeting such as the record date and the date of meeting once they are determined by taking into consideration the completion of future correction and audit on the financial statements made under the Companies Act.

### **4. Efforts to Maintain TSE Listing and Business Continuation**

The Company will make, even after the filing of the Second Quarter Report and amendments to the past securities reports, every effort to maintain the listing of shares of the Company with the kind understanding of the Tokyo Stock Exchange.

The Company will also make the overhaul of the managerial framework, the overhaul of the governance system, internal control system and compliance system, and the formulation of a business reconstruction plan toward the next extraordinary shareholders meeting.

Through all of the aforementioned measures, the Company will come out as a newly-born Olympus Corporation and take the utmost efforts in order that the Company will be able to contribute to society from now on as well as to deliver values to the Company's shareholders, customers, business partners, financial institutions, employees and other stakeholders. The Company is dedicated to make every effort in order to restore trust of all stakeholders again by continuing its business with the brands and technologies that are successful throughout the world.

We would sincerely like to ask for the continued support and guidance of all of you.

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